



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
One Ashburton Place, Room 805
Boston, MA 02108*

DEVAL PATRICK
Governor

TIM MURRAY
Lieutenant Governor

LESLIE KIRWAN
Board Chair

JON M. KINGSDALE
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

June 5, 2007

3:00 p.m. – 5:00 p.m.

One Ashburton Place

Boston, MA 02108

21st Floor Conference Room

Attendees: Leslie Kirwan, Jon Kingsdale, Rick Lord, Celia Weislo, Dolores Mitchell, Charles Joffe-Halpern, Jonathan Gruber, Louis Malzone, Tom Dehner, and Nonnie Burnes.

- I. **Minutes:** Sec. Kirwan announced that today marked Jon Kingsdale's one year anniversary at the Connector. Minutes approved.
- II. **Executive Director's Report:** Mr. Kingsdale shared with the board how much staff learned throughout the regulatory process. Connector Staff is operationally focusing on Section 125. If the board covers the Insurance Partnership and employers offering Commonwealth Care in July there may not be a need for the August meeting. The half day board retreat is tentatively scheduled for October 27.
- III. **Operations Report:** NESN began airing Connector ads on May 28th. These ads have been successful at generating interest for Connector programs and health care reform. As of June 1 almost 80,000 people were enrolled into Commonwealth Care. The program is 57% toward the initial enrollment goal of 140,000. There are 60,000 people in Plan Type one, which is over the initial estimate of 54,000. 53% of enrollees select their own plans. Ms. Day explained that as calls to the call center are increasing, the Georgia call center is being used for overflow and there are plans to hire more customer service representatives. Mr. Joffe-Halpern asked about the quality of the calls and whether there have been many inquiries regarding the mandate. Questions regarding the mandate are directed to the website for more information and staff is working on different ways to handle these calls as they are likely to increase. The Connector would like to get reporting issues with Maximus sorted out before adding new customer service functionality such as additional payment options. Work also continues on offering Section 125 to Commonwealth Care members. Ms. Day updated the board on Commonwealth Choice. Ms. Mitchell asked about whether the health plans could track how many people who are in plans without drug coverage don't fill their prescriptions. Mr. Kingsdale said this would be difficult, but staff would look into it. The Commonwealth Choice call center receiving Commonwealth Care calls continues to be a problem, but staff is hard at work finding a solution.

- IV. **MCC and Affordability Regulations:** Sec. Kirwan remarked that there was very thoughtful testimony at the public hearings. Jamie Katz thanked the Connector staff that worked on the hearings and regulations and reviewed the larger changes. Some recommended changes were postponed until the programs were completely functional. Following requests from the board on when these other changes would be looked at, Mr. Kingsdale said he would work this into the board's schedule. Mr. Katz began by reviewing the minimum creditable coverage regulations. Changes included establishing an appeal basis for veterans with access to VA benefits, adding language that allows split funded plans to meet MCC, and that out-of-pocket maximums apply only to in network core services. Following a discussion on the prescription drug coverage language in 5.03 section 2 c (3), language was amended to be "any separate deductible imposed for prescription drug coverage shall not exceed \$250 for an individual and \$500 for a family, unless prescription drug coverage is provided pursuant to an alternative plan design, in conformity with 956 CMR 5.03(2)(i)(2)." Mr. Joffe-Halpern moved to accept the regulations, Mr. Malzone seconded. All Approved.

Changes to the Affordability regulations included making the regs more consistent with DOR regulations, adding language around waiver provisions, and using adjusted gross income. Mr. Dehner reminded the board of the importance in making sure that Connector regulations don't come into conflict with MassHealth regulations. Mr. Gruber began a discussion around the grounds for appealing a penalty. The board agreed to use the appeal criteria in 6.08 2 (c) until December 31, 2008 and Connector staff will closely follow the appeals activity. Mr. Lord motioned to accept the regulations, Mr. Malzone seconded. All Approved. The agenda also called for the board to approve the Affordability Schedule. Mr. Gruber was concerned that by using less expensive statewide premiums, larger numbers of people in areas with higher premiums would be exempted from the mandate than expected. The Board decided to evaluate this issue further and vote on the affordability schedule during the next meeting.

- V. **Section 125 Emergency Regulations:** Mr. Katz reviewed the major changes to the Sec. 125 regulations. These changes included employers who offer fully paid benefits to their employees who do not fit into the excluded categories are exempted and that Taft Hartleys are excluded. Also, in 4.06 (3) the determination period was changed in order to be consistent with other state agencies that count employees. Mr. Malzone motioned to accept the regulations, Mr. Gruber seconded. All Approved.
- VI. **Eligibility Regulations for Commonwealth Care:** Minimum monthly premiums are presented in the schedule in 3.11. (8). Also included were the July 1 changes. Some of the other requests heard at the public hearings are not being done at this time, but would be considered later. Mr. Malzone motioned to accept the regulations, Ms. Burnes seconded. All approved.
- VII. **Commonwealth Care MMCO Contract Timetable:** Patrick Holland reviewed with the board the timetable for extending the Commonwealth Care MMCO contract timetable. Staff has decided to extend the contracts by 6 months in order to gather more program data, allow the program to stabilize, and to align contracts with State Fiscal Year. Mr. Holland also reviewed the timeline for discussions about certain Commonwealth Care program changes.
- VIII. **FY '08 Administrative Budget:** Sec. Kirwan remarked that given that this organization is a start up, the budget looks very good. Mr. Holland said that in 2008 there will be more solidity in processes. This budget was explained in more detail during the Administration

and Finance Committee meeting on May 31. The board requested to revisit the budget later in order to see how well we are matching up. Mr. Lord motioned to approve the budget, Ms. Wcislo seconded. All Approved.

- IX. **Other:** Mr. Kingsdale thanked the board and staff for going through the hearing and regulatory process. He was happy with the successful approval of the regulations and the affordability schedule will be brought back to the board after the premium schedule is revised. There being no further business before the board the meeting was adjourned.

Respectfully Submitted,
Kerry Connolly